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K. Chad Burgess Senior Counsel

chad.burgess@scana.com



2006-2446

VIA HAND DELIVERY

Mr. Charles Terreni Chief Clerk / Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

RE:

South Carolina Electric & Gas Company

Notice of Construction Project

Dear Mr. Terreni:

South Carolina Electric & Gas Company ("SCE&G" or "Company") is required to notify the South Carolina Public Service Commission ("Commission") "[o]f any construction projects with costs of \$1,000,000 or more." See 26 S.C. Code Ann. Reg. 103-412(2.7) (1976, as amended). In compliance with Commission regulation, this letter serves as notification to the Commission that SCE&G plans to extend its natural gas pipeline system by constructing a new eight-inch combination steel and polyethylene gas pipeline stretching from Highway 501, near Conway, South Carolina, along Highway 90 to Highway 9 to North Myrtle Beach, South Carolina (approximately thirty miles). The construction of this pipeline will occur in two phases; Phase I construction (approximately twenty miles) began on April 16, 2007, and Phase II construction (approximately ten miles) is scheduled to occur in 2008. The Company anticipates that the total cost for this construction project will exceed \$1,000,000 dollars.

April 19, 2007

To complete our file, please acknowledge receipt of this letter by date-stamping the extra copy that is enclosed and return it to us via our courier.

By copy of this letter, we are also notifying the South Carolina Office of Regulatory Staff of the Company's pipeline construction plans.

If you have any questions, please advise.

Very truly yours,

K. Chad Burgess

KCB/kms

cc: Shannon Bowyer Hudson, Esquire (via hand-delivery)

SCANA Services, Inc. | Legal Department - 130 • Columbia, South Carolina • 29218 • T (803) 217.8141 • F (803) 217.7931 • www.scana.com